

Verizon Bets on Next-gen FTTH

Verizon Communications revealed details of what will possibly become the most advanced broadband network to be deployed in America. The next-generation \$18bn fibre-optic-based "FiOS" service means it should pass 18m premises with its fibre network by the end of 2010, or more than 50% of the approximately 33m households in the company's 28-state wireline service area. The FiOS network build-out is on target to pass a total of 6m premises by year-end 2006, with an additional 3m a year planned through 2010.

It is optimistic that FiOS will generate positive operating income beginning in 2009. This will come from growing revenues from FiOS services combined with declining operational costs due to fibre network efficiencies. In addition, the compa-

ny's total fibre investment is expected to be EBITDA-positive in 2008.

These profitability and investment projections are based on expectations of attracting up to 7m FiOS Internet customers and up to 4m FiOS TV customers by year-end 2010.

Verizon is also seeing strong customer demand for FiOS TV, which was launched in its first market just a year ago. By the end of the third quarter 2006, Verizon expects to have more than 100,000 FiOS TV customers, and the company estimates that about two-thirds of FiOS TV customers have discontinued their cable TV service.

It adds that contrary to opinion, the cost of home connection to its fibre network continues to decline, according to Verizon. By 2010, these should average \$650 to connect a home to its network.

Web: www.verizon.com

New NF₃ Plant for Korea

Air Products has signed an MoU with Ulsan city, South Korea, to construct a nitrogen trifluoride (NF₃) plant that will support the fast growing Asian semiconductor and thin film transistor-liquid crystal display (TFT-LCD) markets.

The MOU signing ceremony at Ulsan City Hall was attended by the mayor of Ulsan, Maeng-Woo Park and more than 30 city officials and Air Products executives.

The new NF₃ plant will be built at Air Products' existing specialty gas site in Ulsan, and will be the company's second electronic specialty material investment at Ulsan after bringing on-stream an ultra-high purity ammonia plant in 2005. It complements existing Air Products ESM facilities in Shiwha, Banwol, Cheonan and Pyeongtaek in Korea.

The first phase of the new plant will produce more than 500 metric tonnes per year and will be completed in late 2007, bringing Air Products' global NF₃ capacity to over 2,500 metric tonnes.

Web: www.airproducts.com

Markets & Business

KDDI buys into networks

As part of its strategic intent to compete more effectively with NTT's internet business, KDDI Corp., Japan's second largest wireless telecoms operator, will shortly acquire the fibre-optic network of Tokyo Electric Power (TEPCO). It will cost US\$965m in an all stock deal and make KDDI Japan's third largest provider of fibre-optic services after NTT and Usen. The deal with TEPCO is said to be the precursor to other such acquisitions.

Web: www.kddi.com/english

US book-to-bill hits unity

North American-based manufacturers of semiconductor equipment posted \$1.62bn in orders in September 2006 (three-month average basis) and a book-to-bill ratio of 1.00, according to the September 2006 Book-to-Bill Report published by SEMI.

The three-month average of worldwide bookings in September 2006 was \$1.62bn. The bookings figure is 6% below the final August 2006 level of \$1.73bn, but almost 65% above the \$984m in orders posted in September 2005. The three-month average of worldwide billings in September 2006 was \$1.63bn. The billings figure is almost 7% below the final August 2006 level of \$1.74bn and almost 50% above the September 2005 billings level of \$1.09bn.

Web: www.semi.org

K&S Acquires Die Bonder Maker

Kulicke & Soffa Industries Inc., has acquired Alphasem, the long-established supplier of die bonder equipment, from Dover Technologies International Inc. The \$30m deal, subject to various closing conditions, will be complete in early November.

According to VLSI Research, the die bonder market was worth \$520m in 2005. The Alphasem name has good market presence, having demonstrated a long-standing commitment to the die bonder market.

Web: www.kns.com

China Manufacturing saw 30% CAGR

Research and Markets confirms the very strong growth in electronics manufacturing in China.

'Electronic Manufacturing in China' addresses the entire landscape of China's current electronic manufacturing industry, including distribution of the ecosystem, market segmentation, and prospective development over the next five years.

Thanks to China's consistent progress with economic reforms and governmental policies that have opened up China to the outside world during the past three decades since 1978, China has achieved a compound annual growth rate (CAGR) of nearly 30% in electronic manufacturing revenues in the past five years.

Web: www.researchandmarkets.com

Chip gear sales up for ASML

ASML Holding NV published its latest financials, showing that net profit had tripled in Q3. It attributed this to its greater share of the Japanese market and generally better demand worldwide. Net profit totalled €172m, compared with €47.8m in the same period last year. Sales surged 80% to €958m from €533m.

Web: www.asml.com